

### **REMARKS**

Claims 1-16 and 19-20 are all the claims presently pending in the application. Claims 1, 3-16 and 19-20 have been amended to more particularly define the invention.

It is noted that the claim amendments are made only for more particularly pointing out the invention, and not for distinguishing the invention over the prior art, narrowing the claims or for any statutory requirements of patentability. Further, Applicant specifically states that no amendment to any claim herein should be construed as a disclaimer of any interest in or right to an equivalent of any element or feature of the amended claim.

**Claims 1, 13, 14 and 20** stand rejected under 35 U.S.C. 112, second paragraph as being allegedly indefinite. Applicant notes that these claims have been amended to address the Examiner's concerns. Therefore, these claims are clear and not indefinite, and the Examiner is respectfully requested to withdraw this rejection.

**Claims 1-2, 6-7, and 12-13** stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Ausubel (U.S. Patent No. 5,905,975).

**Claims 3-5** stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Ausubel, and further in view of McAfee, et al. (U.S. Patent No. 6,718,312 B1) (hereinafter "McAfee").

**Claims 8-11** stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Ausubel in view of Macready, et al. (U.S. Publication No. 2002/0016759) (hereinafter "Macready").

**Claims 14, 16, 19 and 20** stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Ausubel and McAfee, and further in view of Macready.

**Claims 14, 16, 19 and 20** stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Ausubel, McAfee and Macready, and further in view of Official Notice.

These rejections are respectfully traversed in view of the following discussion.

#### **I. THE CLAIMED INVENTION**

An exemplary aspect of the claimed invention (e.g., as recited in claim 1) is directed to a computer implemented method for an auction which includes establishing an auction

system which is accessible via a network, performs an auction for a set of items including an item and another item which is different than the item, and includes a processor which generates a user interface for entering a bid in the auction, receiving a bid for the item and a condition on winning the item which are entered by a bidder by using the user interface, displaying on the user interface a bid table for indicating that the bid is one of a selected bid and an unselected bid during a course of the auction, and formulating a winner determination problem including the condition on winning the item as an integer program, and solving the integer program to determine whether the bid is a selected bid.

Importantly, the method also includes receiving an edit to the condition which is entered by the bidder by using the user interface, and updating the bid table to indicate that the bid is one of a selected bid and an unselected bid based on the edited condition, upon terminating the auction, updating the bid table to indicate that the bid is one of a winning bid and a non-winning bid (Application at Figure 2A-2B and 6; paragraphs [0060]-[0062]).

As explained beginning at line 11 on page 3 of the specification, conventional methods do not enable auction participants to specify a condition that describes or characterizes an item or a combination of items that they wish to win or sell. Nor do conventional methods allow a bidder to edit such a condition.

The claimed invention, on the other hand, includes receiving an edit to the condition which is entered by the bidder by using the user interface, and updating the bid table to indicate that the bid is one of a selected bid and an unselected bid based on the edited condition, and upon terminating the auction, updating the bid table to indicate that the bid is one of a winning bid and a non-winning bid (Application at Figure 2A-2B and 6; paragraphs [0060]-[0062]).

## **II. THE ALLEGED PRIOR ART REFERENCES**

### **A. Ausubel**

The Examiner alleges Ausubel makes obvious the invention of **claims 1-2, 6-7, and 12-13**. Applicant submits, however, that Ausubel does not teach or suggest each and every feature of the claimed invention.

In particular, Ausubel does not teach or suggest "*receiving an edit to said condition which is entered by said bidder by using said user interface, and updating said bid table to indicate that said bid is one of a selected bid and an unselected bid based on said edited condition; and upon terminating said auction, updating said bid table to indicate that said bid is one of a winning bid and a non-winning bid*", as recited in claim 1 and similarly recited in claims 13-14 and 20 (Application at Figure 2A-2B and 6; paragraphs [0060]-[0062]).

Clearly this feature is not taught or suggested by Ausubel.

Indeed, Ausubel simply teaches listing a sequence of value pairs which include "an amount representing a number of shares of stock or other objects offered and a value parameter indicating the offered price for the number of objects" (Ausubel at col. 12, lines 39-44). When the users participating in the auction have entered bids, a register stores the total number of objects demanded by the bidders. The amount offered is then compared to the total number of objects demanded by the bidders (Ausubel at col. 12, lines 44-56).

The Examiner attempts to rely on col. 3, lines 60-62, col. 8, lines 25-27 and col. 8, line 58-col. 9, line 13 to support his position that Ausubel teaches "updating said user interface". However, nowhere do these passages teach or suggest the features of the claimed invention.

In fact, col. 3 simply discloses "sending a final message to at least one user system", and cols. 8 and 9 simply disclose that in response to a message from an auction system 10, "the user process 28 may generate or modify flexible bid information 61 which is coupled to the database process 60" (Ausubel at col. 8, lines 29-32). That is, nowhere do these passages even teach or suggest displaying a "bid table" on a user interface as in the claimed invention. Therefore, these passages certainly do not teach or suggest receiving an edit to the condition which is entered by the bidder by using the user interface, and updating the bid table to indicate that the bid is one of a selected bid and an unselected bid based on the edited condition, and upon terminating the auction, updating the bid table to indicate that the bid is one of a winning bid and a non-winning bid.

Therefore, Applicant submits that these alleged references would not have been combined and even if combined, the combination would not teach or suggest each and every

feature of the claimed invention. Therefore, the Examiner is respectfully requested to withdraw this rejection.

**B. McAfee and Macready**

The Examiner alleges that Ausubel would have been combined with McAfee to form the invention of **claims 3, 4 and 5**, and with Macready to form the invention of **claims 8-11**, and with McAfee and Macready (and Official Notice) to form the invention of **claims 14, 16, 19 and 20**. Applicant submits, however, that these alleged references would not have been combined and even if combined, the combination would not teach or suggest each and every feature of the claimed invention.

Indeed, Applicant submits that these alleged references are completely unrelated, and no person of ordinary skill in the art would have considered combining these disparate references, absent impermissible hindsight.

In fact, Applicant submits that the alleged references provide no motivation or suggestion to urge the combination as alleged by the Examiner. Indeed, these alleged references clearly do not teach or suggest their combination. Therefore, Applicant respectfully submits that one of ordinary skill in the art would not have been so motivated to combine the alleged references as alleged by the Examiner. Therefore, the Examiner has failed to make a prima facie case of obviousness.

Moreover, neither Ausubel, nor McAfee, nor Macready, nor any alleged combination thereof teaches or suggests *"receiving an edit to said condition which is entered by said bidder by using said user interface, and updating said bid table to indicate that said bid is one of a selected bid and an unselected bid based on said edited condition; and upon terminating said auction, updating said bid table to indicate that said bid is one of a winning bid and a non-winning bid"*, as recited in claim 1 and similarly recited in claims 13-14 and 20 (Application at Figure 2A-2B and 6; paragraphs [0060]-[0062]).

Clearly, this feature is not taught or suggested by McAfee.

Indeed, McAfee simply teaches using bid composition restrictions in a "dynamic combinatorial auction". The restrictions include non-additive activity restrictions, subset

restrictions and superset restrictions (McAfee at Abstract).

However, even assuming (arguendo) that McAfee teaches "constraints" as alleged by the Examiner, nowhere does McAfee teach or suggest receiving an edit to the condition which is entered by the bidder by using the user interface, and updating the bid table to indicate that the bid is one of a selected bid and an unselected bid based on the edited condition, and upon terminating the auction, updating the bid table to indicate that the bid is one of a winning bid and a non-winning bid, as in the claimed invention.

Likewise, Macready does not teach or suggest this feature of the claimed invention. Indeed, Macready does not even teach or suggest an auction. Instead, Macready simply teaches a level of optimization which ranks trades with suppliers, allegedly allowing a buyer to determine the best alternative (Macready at [0002]).

That is, even assuming (arguendo) that Macready teaches "constraints", nowhere does McAfee teach or receiving an edit to the condition which is entered by the bidder by using the user interface, and updating the bid table to indicate that the bid is one of a selected bid and an unselected bid based on the edited condition, and upon terminating the auction, updating the bid table to indicate that the bid is one of a winning bid and a non-winning bid, as in the claimed invention.

Therefore, neither McAfee nor Macready make up for the deficiencies of Ausubel.

Therefore, Applicant submits that these alleged references would not have been combined and even if combined, the combination would not teach or suggest each and every feature of the claimed invention. Therefore, the Examiner is respectfully requested to withdraw this rejection.

### **III. FORMAL MATTERS AND CONCLUSION**

In view of the foregoing, Applicant submits that claims 1-16 and 19-20, all the claims presently pending in the application, are patentably distinct over the prior art of record and are in condition for allowance. The Examiner is respectfully requested to pass the above application to issue at the earliest possible time.

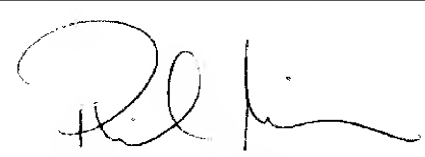
Should the Examiner find the application to be other than in condition for allowance,

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the Examiner is requested to contact the undersigned at the local telephone number listed below to discuss any other changes deemed necessary in a telephonic or personal interview.

The Commissioner is hereby authorized to charge any deficiency in fees or to credit any overpayment in fees to Assignee's Deposit Account No. 50-0510.

Respectfully Submitted,



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